MESTRICTED

29 March 1946

Dear Mr. Bailey:

The National Intelligence Authority has considered the proposed Executive Order "Directing the Cooperation of Government Agencies in the Coordination of Foreign Intelligence Activities of the United States" enclosed in your letter of 27 February 1946. In carrying out the President's directive of 22 January the National Intelligence Authority has so far encountered no impediment which would constitute a basis for recommending that the Directive should be superseded by an Executive Order. However, the N.I.A. offers no objection to the issuance of such an Executive Order, provided that its effect will be merely to confirm and formalize the status of the N.I.A. as a cooperative interdepartmental activity, rather than a new or independent agency requiring legislation for its existence.

In order to avoid uncertainties as to the effect of the proposed Executive Order, the N.I.A. recommends the following modifications:

a. Delete the phrase *....including Title I of the First War Powers Act, 1941 (55 Stat. 838).* This phrase is not considered necessary and it appears to imply some further action may be required upon the expiration of the First War Powers Act. The proposed Executive Order should contain no implication that W.I.A. is a temporary organization.

b. Amend the introductory sentences of Section I to read as follows:

The Secretary of State, the Secretary of War, and the Secretary of the Navy shall comply with the following directive issued to them by me on January 22, 1946, in the operation of the intelligence activities of their departments:

The wording of the text as proposed by the Acting Attorney General might imply that the Executive Order is the sole authority for the departmental intelligence activities.

c. Amend Section II to read as follows:

To the extent consistent with law and presidential directives, all Federal Agencies of the Executive Branch are hereby directed to take all steps necessary to assure cooperation in the coordination of foreign intelligence activities of the United States to effectuate fully the

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purposes of the above-quoted directive and to comply with the provisions of paragraph 8 thereof.

In addition to a general direction to cooperate, the Executive Order should contain a specific direction to comply with paragraph S, which was intended to govern the activities of departments and agencies other than the State, War, and Navy Departments.

Very truly yours,

SIGNED

SIDNEY W. SOUERS Director

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Mr. F. J. Bailey Assistant Director Legislative Reference Bureau of the Budget Washington 25, D. C.